

USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.08

Voluntary Report - public distribution

Date: 1/17/2006

GAIN Report Number: IT6003

Italy

Grain and Feed

Letter from Italian Wheat Millers on New EU Mycotoxin Tolerances

2006

Approved by:

Geoffrey Wiggin Ag MinCouns U.S. Embassy Rome

Prepared by:

Sandro Perini Agricultural Specialist

Report Highlights: As of 1 July 2006, the EU is changing its tolerances for fusarium mycotoxins on grains and products. Italian millers and traders are concerned about occurrences in shipments arriving before that date as post-July testing could raise difficulties. The text of their letter is included in this report.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Rome [IT1] The Office of Agricultural Affairs (OAA) Rome has received the letter transcribed below from ITALMOPA, the Italian Miller Association, and from ANACER, the Italian Grain Trader Association. The letter was also sent to the U.S. Wheat Associates Rotterdam office. OAA Rome is sending the original to the Grain & Feed Division, CMP, FAS together with the relevant EU regulations.

The letter concerns the new EU vomitoxin (DON) tolerance levels, which will become effective July 2006. These new levels will be 1.25 PPM for bread wheat and 1.75 PPM for durum wheat. While shipments that exceed these limits (but remain within existing requirements) should not experience problems entering the EU until July, the Italian importing and milling industries are worried about testing that might be conducted after July on product that entered Italy beforehand. The situation is particularly sensitive given the recent case of Canadian wheat samples with violative levels of ochratoxin, which led to the arrest of a leading Italian miller. (see IT6001).

The text of the letter is as follows:

To Mr. George J. Galasso Regional Vice President US Wheat Associates, Inc. Rotterdam

Mr. Geoffrey Wiggin US Embassy Rome, Italy

EC regulation of DON toxin

The National Associations of the Milling (Italmopa) and Cereals (Anacer) Industries – as representatives of the soft and durum wheat first-stage processing sector, and the cereals importation and trade sector, respectively – believe it necessary to call your attention to the consequences of the application, beginning on July 1, 2006, of EC Regulation 856/2005 (published in the EC Official Journal, series L no. 143) regarding the maximum levels of fusarium toxin (such as DON) in cereals and cereal-based products.

As is well-known, Italian milling companies import on an annual basis from third countries large quantities of soft and durum wheat to augment the quantitative – but also qualitative – deficit of the national harvests. Within this framework, the United States traditionally constitutes a source of supply of primary importance for the Italian milling industry.

The application of EC Regulation 856/2005 means that in the near future, and in any case beginning on July 1, 2006, it will be necessary on the part of sellers to furnish guarantees regarding the observance of the new limits set insofar as the maximum amount of DON toxin allowed in soft and durum wheat as a raw material. Nevertheless, particular attention can (sic, please read "must") be paid by the processing industry to its wheat supplies procured before July 1, 2006, taking into account that flour and semolina marketed beginning on the aforesaid date (which might be produced using wheat purchased prior to July 1, 2006) will be subject to the new EC limits on the maximum presence of fusarium toxin.

More precisely, Italmopa and Anacer believe that the necessary specifications of such commodities loaded in the USA for shipment will have to be furnished with certification attesting to the observance of the EC limits based on tests performed in conformity, or at least compatible, with the provisions contained in EC Directive 2005/38 of June 6, 2005 (EC

Official Journal, no. L 143) regarding the sampling methods and the methods of analyses for the official control of the levels of fusarium toxins in foodstuffs.

Taking into account the importance of the subject, Italmopa and Anacer remain at your disposal for any further explanation regarding the matter and express their willingness beginning at this time to meet to discuss the subject.

Best regards,

Ivano Vacondio President, Italmopa Filippo Galli President, Anacer

End letter.